

September 26, 1988

TO: Minerals File

FROM: Wayne Hedberg, Reclamation Hydrologist *DWH*

RE: Field Inspection, 5-M Incorporated, Silver Reef Mine,  
M/053/002, Washington County, Utah

On September 15, 1988, Division staff members, Holland Shepherd, Scott Johnson and Wayne Hedberg met with Mr. Jerry Glazier and Joe Epsom of 5-M Incorporated at the Silver Reef Mine Site. The purpose of the site visit was to determine the status of interim stabilization measures and general cleanup. We also planned to discuss final reclamation plan details with the operator.

Mr. Glazier was asked to give a general overview of the mining operation and the interim cleanup which had taken place to date to bring Scott Johnson and Wayne Hedberg up to speed on the operations status.

An elevated vantage point was chosen near the old A S & R shaft to obtain a reasonable perspective of the entire mine site. Mr. Glazier pointed out specific areas of the mining operation which had been used in the past and also a number of areas which were pre-law disturbances.

Mr. Glazier discussed the operations which had taken place to date and also indicated that there had not been any active mining or heap leaching on the site since 1984. The majority of the scrap metal, trash and other extraneous mining-related debris had been cleaned up and removed from the site. Mr. Glazier did indicate that there probably was another two or three flatbed trailer loads of material which would be removed from the site. He indicated that they would need to bring in a front-end loader or a high lift in order to lift the remaining materials onto the flatbed trailers. Mr. Glazier stated that 5-M intended to remove the remainder of these materials in the very near future.



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Holland Shepherd who had been on site in May of 1988, indicated that there had been a significant amount of improvement since he last visited the site. It appeared that the commitments which Mr. Glazier made regarding general cleanup of the site, during previous DOGM field inspections and correspondence to the Division, had been performed.

We questioned Mr. Glazier about the current status of the problems that 5-M Incorporated was having with Mr. Lavar Webb of Color Country. Mr. Webb is an adjacent land owner who is trying to develop a water right on his unpatented mining claims. It is our understanding that he is intending to subdivide and develop his property holdings into home lots. There is some contention over who legally holds and has the right to develop the water rights. According to Mr. Glazier, this question will most likely have to be resolved in court. Mr. Glazier stated that Mr. Webb has and is continuing to divert appropriated irrigation water shares into the old, abandoned California Mine Shaft. This shaft is apparently located on Mr. Glazier's property. Mr Webb. has assumed possession and use of a monitoring well which belongs to 5-M Inc. Mr. Webb is proposing to utilize the water pumped from this well, which taps into the old California workings, as a culinary water source for the proposed home subdivision. He has apparently applied to the State Engineers office for an appropriations permit.

I asked Mr. Glazier what his intentions were regarding our most recent tentative approval correspondence. 5-M Incorporated had submitted a final reclamation plan for the minesite in April. Mr. Glazier indicated that he had received the letter, but could not recall the extent of what was discussed. I showed him a copy of the correspondence and he indicated, after reading through it, that he would prepare a written response as requested and forward it to the Division shortly.

I also informed Mr. Glazier that we were processing 5-M's, recent petition to the Board of Oil, Gas and Mining. 5-M wishes to acquire the legal rights to the forfeited reclamation bond which has been posted by Kerley Industries. I indicated that the petition would most likely be scheduled for the October Board hearing. I informed him that it was my understanding, that Marjie Anderson, of the Division, was to have contacted Mr. Glazier, or his legal representative regarding the timing for the petition before the Board. I did inform Mr. Glazier that I would get back to him with a confirmed date for the scheduled Board hearing.



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Mr. Glazier indicated that 5-M was hoping to make a decision within the next six months to a year regarding the future development of the mine site and continued operations. We informed Mr. Glazier that pursuant to our last conditional tentative approval correspondence with 5-M, that they would have until 1994 before the Division would require the operator to reclaim the remainder of the mine site.

Since the September 15th field inspection, the Division's legal counsel has recommended to the Board of Oil, Gas and Mining that 5-M's petition is beyond the Board's legal jurisdiction. Therefore, a letter will be drafted responding to 5-M's petition advising the operator that the matter will need to be resolved in the courts.

The Division will prepare an updated reclamation surety estimate based upon the mine disturbances yet to be reclaimed and notify 5-M if any additional bonding will be required.

jb  
cc: L. Braxton  
Minerals Team  
Jerry Glazier, 5-M  
Field File  
2/15-17